GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6706
ANSWERED ON:10.05.2002
RATING SYSTEM FOR CORPORATE GOVERNANCE
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Will the Minister of FINANCE be pleased to state:

(a) whether in a bid to reignite investors confidence SEBI has decided to have a rating system for corporate governance in future;

(b) if so, whether any meeting with rating agencies have been held in this regard; and

(c) if so, the outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) The Securities and Exchange Board of India (SEBI) has made some of the best practices of corporate governance mandatory, through a phased programme. SEBI is examining the concept of a rating system for the measurement of corporate governance.

(b) SEBI has intimated that no formal meetings have been held with rating agencies in this regard.

(c) Does not arise in view of (b) above.